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10 IN THE UNITED STATES BANKRUPTCY COURT
11 FOR THE WESTERN DISTRICT OF WASHINGTON, AT SEATTLE

12 In re:

13 V.S. INVESTMENT ASSOC, LLC,

14 Debtor.
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No. 20-11541-CMA

**STIPULATED ORDER GRANTING
BRMK LENDING, LLC'S MOTION
TO DISMISS OR FOR RELIEF FROM
STAY TO PROCEED WITH
RECEIVERSHIP**

17 THIS MATTER was brought before the Court on the Motion of BRMK Lending, LLC
18 ("BRMK"), a holder and beneficiary of a deed of trust against real property owned by V.S.
19 Investment Assoc, LLC ("V.S. Investment" or the "Debtor").

20 BRMK's Motion sought an Order Dismissing the Bankruptcy or Granting Relief from Stay
21 to allow the Receivership over property of the estate to move forward (the "Motion"). BRMK
22 and the Debtor agree that grounds exist for relief from the automatic stay under 11 U.S.C. §
23 362(d) and for abandonment under 11 U.S.C. § 554(b). The Debtor has agreed to entry of an
24 Order granting BRMK's Motion upon the conditions outlined below. The Court has also
25 considered the records and files herein, including BRMK's Motion, Declarations of Stuart Heath
26 and Stephanie Jenkins filed in support thereof; and the Objection to BRMK's Motion to Dismiss
and for Relief from Stay Re: Receivership. The Court FINDS that there is good cause for the

**ORDER GRANTING HERITAGE BANK'S MOTION TO
PROCEED WITH RECEIVERSHIP - 1**

HACKER & WILLIG, INC., P.S.
ATTORNEYS AT LAW
520 Pike Street, Suite 2500
Seattle, Washington 98101
Telephone (206) 340-1935

1 relief requested, that the Motion was properly noticed and served, and that the record is complete
2 as to BRMK's Motion. Now, therefore, the Court hereby GRANTS BRMK's Motion based on
3 the following terms:

- 4 1. BRMK's motion for relief from stay as to the four units ("Unit" or "Units") of the College
5 Street Property (described below) is hereby granted effective September 30, 2020, except as
6 to any Unit of the College Street Property that is subject to a purchase and sale agreement
7 fully executed by both proposed buyers and sellers ("Under Contract for Sale") as of
8 September 30, 2020.
- 9 2. Any Unit of the College Street Property that is Under Contract for Sale by September 30,
10 2020, must close within sixty (60) days from the date of mutual acceptance, but in no case
11 later than November 30, 2020. In any event, relief from stay is effective as to all of the
12 College Street Property no later than November 30, 2020.
- 13 3. Any sales of any Unit of the College Street Property shall be without satisfaction of the
14 underlying debt unless such debt is paid in full, from closing and all BRMK's loan
15 documents shall remain in full force and effect.
- 16 4. This Order will not affect BRMK's rights under any other loan document, guaranty, deed
17 of trust, or any other contract or agreement related to the Loan. The Order does not
18 constitute a waiver of any rights BRMK may hold, including its rights to a deficiency and
19 its rights to pursue foreclosure of other collateral securing the Loan. BRMK agrees that it
20 will allow the Debtor to pay any deficiency following the final sale or foreclosure of the
21 College Street Property over the course of twelve (12) months before taking any action on
22 any personal guaranties or collateral it may hold.

23 IT IS HEREBY ORDERED that no later than September 30, 2020, for any of the College
24 Street Property that is not Under Contract for Sale as of that date, and no later than November 30,
25 2020, for all College Street Property that has not already had a sale close (with payment of
26 proceeds to BRMK), BRMK may proceed with receivership of all the Property securing its liens in
King County Superior Court and that pursuant to 11 U.S.C. §§ 362(a) and 362(d), the automatic

1 stay, to the extent it applied to the College Street Property, is terminated as to BRMK, so that
2 BRMK may pursue receivership or other state law remedies, to enforce its security interest in the
3 Property and/or as to enforcement of the loan obligations secured by two Deeds of Trust that is
4 the subject of BRMK's Motion, in particular against the College Street Property described as
5 follows:

6 Lots 1 and 2, Block "B", CITY GARDEN, according to the plat thereof recorded in
7 Volume 10 of Plats, page 14, records of King County, Washington;

8 EXCEPT the Westerly 20 feet of Lots 1 and 2 (measured along the North line of Lot
9 1 and the South line of Lot 2);

10 AND EXCEPT the South 10 feet of Lot 2, (measured along the East line of said Lot
11 2).

12 SITUATE in the County of King, State of Washington.

13 PHYSICAL ADDRESS: 2463, 2465, 2467, and 2469 South College Street, Seattle,
14 WA 98144

15 ASSESSOR'S TAX PARCEL NO.: 159460-0090-08

16 And it is further

17 ORDERED that, as the Debtor is a necessary party, BRMK may, if necessary, subpoena
18 Debtor's attendance and documents for deposition, and subpoena Debtor's testimony for trial, if
19 any, in the receivership and/or any judicial foreclosure action, provided, however, that no *in*
20 *personam* relief is sought or obtained against the Debtor by BRMK. And it is further

21 ORDERED that BRMK may, at its option, provide pleadings and notices to Debtor in
22 relation to or in connection with a receivership as to the Property or foreclosure of its Deed of
23 Trust against the Property; and BRMK may, at its option, offer, provide, and enter into any
24 potential forbearance agreement, loan modification, refinance agreement, or other loan
25 workout/loss mitigation agreement with Debtor and may contact the Debtor via telephone or
26 written correspondence to offer such an agreement, which shall be non-recourse unless included

1 in a reaffirmation agreement. It is further

2 ORDERED that upon receiving relief from stay as to any portion of the College Street
3 Property as outlined above, pursuant to 11 U.S.C. § 554(b), the College Street Property is hereby
4 abandoned. And it is further

5 ORDERED that that the fourteen-day time frame set forth in FRBP 4001(a)(3) shall be,
6 and hereby is waived and that the order shall be in full force and effect upon signature.

7
8 /// End of Order ///

9 Presented by:

10 HACKER & WILLIG, INC., P.S.

11 /s/ Arnold M. Willig

12 Arnold M. Willig, WSBA #20104

13 Elizabeth H. Shea, WSBA #27189

14 Charles L. Butler, III, WSBA #36893

15 Attorneys for Petitioner

16 BRMK Lending, LLC

17 Stipulated to and Approved by:

18 BOUNTIFUL LAW, PLLC

19 /s/ Brad Puffpaff

20 Brad Puffpaff, WSBA #46434

21 Attorneys for Debtor
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